GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4188
ANSWERED ON:19.04.2002
HAWALA TRANSACTIONS
M.H. AMBAREESH;NAMDEO HARBAJI DIWATHE

Will the Minister of FINANCE be pleased to state:

(a) the steps taken by the Government to check the growing menace of hawala transactions in the country and particularly in the Jammu and Kashmir;

(b) whether many Jammu and Kashmir leaders who are leading the separatist movement have received a sizable amount of money through Hawala;

(c) if so, the details thereof;

(d) whether it is also a fact that many of these leaders have not filed any income tax returns for last several years; and

(e) if so, the steps taken by the Union Government against these persons?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE. N. RAMACHANDRAN)

(a) Investigation and action in accordance with the provisions of FERA, 1973/FEMA, 1999 is undertaken wherever any information/intelligence on hawala transactions is received.

(b) & (c) The Jammu & Kashmir Police and the Central Bureau of Investigation (CBI) have detected some cases involving certain individuals suspected to be involved in hawala transactions. Information on whether any or all of these persons are leaders of separatist movements will be available only after full investigation of the cases by the State Police and the CBI.

(d) Yes, Sir.

(e) Assessment proceedings under the Income Tax laws were initiated on the basis of some information about their investments. These assessments have been completed ex-parte since there was no cooperation during the course of these proceedings.